

July 21, 2015

Montana Healthcare Programs Notice

Outpatient Hospital and Physician

Effective September 1, 2015

Discarded Drugs and Biologicals and the Use of the JW Modifier

The Centers for Medicare and Medicaid Services (CMS) encourages physicians, hospitals and other providers and suppliers to use drugs and biologicals in an effective, clinically suitable manner.

Effective September 1, 2015, Montana Medicaid will reimburse discarded drugs and biologicals when a physician, hospital, provider, or supplier must discard the remainder of a single use vial or other single use package after administering a dose of the drug or biological to a Medicaid member. Additionally, the physician, hospital, provider, or supplier will continue to receive the reimbursement for the amount administered.

A modifier has been established to indicate discarded drugs or biologicals.

- JW – Discarded drug not administered to any patient

When billing Montana Medicaid, report the administered dose of the drug or biological on one line and the discarded dose, including the JW modifier, on a separate line.

For example, Zaltrap, which is reported as J9400, is a single-use vial containing 200 MG. When billing Montana Medicaid, 1 billing unit = 1 MG of Zaltrap. The amount administered to the member was 150 MG, leaving 50 MG unused. The administered dose of 150 MG of Zaltrap would be billed on one line and the unused dose of 50 MG of Zaltrap would be billed on a separate line, appending modifier JW to the line.

HCPCS	Units
J9400	150
J9400 JW	50

The JW modifier can only be used in situations when the actual dose of the drug or biological administered is more than the billing unit. When the billing unit is equal to or greater than the total actual dose and the amount discarded, the use of JW modifier is not permitted per CMS.

For example, Ciprofloxacin IV, which is reported as J0744, is an intravenous infusion, 200 MG. When billing Montana Medicaid, 1 billing unit = 200 MG of Ciprofloxacin IV. The amount administered to the member was 150 MG, leaving 50 MG unused. The administered dose of 150 MG and the discarded dose of 50 MG would be billed on one line as one billing unit. The single line item would be processed for payment of the total 200 MG of Ciprofloxacin IV. In this case the JW modifier would not be used.

Contact Information

If you have any questions, please contact your program:

- Erica Lewis, PPS Hospital Program Officer, at 406-444-7018
- Holly Mook, CAH, RHC, FQHC Program Officer, at 406-444-4834
- Casey Peck, ASC Program Officer, at 406-444-4349
- Physician Program at 406-444-3995

For claims questions or additional information, contact Provider Relations at 1-800-624-3958 (toll-free, in/out of state) or 406-442-1837 (Helena) or via e-mail at MTPRHelpdesk@xerox.com.

Visit the Montana Healthcare Programs Provider Information website at <http://medicaidprovider.mt.gov/>.